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Declassified in Part - Sanitized Copy Approved for Release 2013/07/24: CIA-RDP78-01617A000100130001-5 NO CHANGE in Class. DECLASSIFIED Class. CHANGED TO: TS DDA Memo, 4 Apr 77 12 March 1948 IM-13 Auth: DDA REG. 77/1763 10/77 By: Date: MEMORANDUM FOR THE DIRECTOR, CIA PROM: THE ASSISTANT DIRECTOR, ORE SUBJECT: PROBABLE SOVIET REACTIONS IN BERLIN TO WESTERN EUROPEAN UNION TALKS Attention is invited to a Memorandum for the President from the Director of CIA, dated 22 December 1947, a copy of which is attached. Delay in the formation of a separate Eastern German Government and in Soviet attempts to force the Western Powers from Berlin has probably been caused in large measure by the firm attitude of US officials in Berlin. While no further reports have been received indicating that the USSR has decided to force the Western Powers from Berlin, the recent US, UK, France, Benelux discussions in London concerning the formation of a West German State to be included in a Western European Union invite some form of Soviet response stronger than the mere protests received so far. Soviet response will be timed to follow overt allied implementation of the London decisions, and will consist of the announcement of plans, such as a plobiscite, for an Hastern Zone "all German state", claiming to represent the whole German people. Announcement of such plans would be followed by an intensified Soviet campaign to oust the Western Powers from Berlin. The most urgent dangers are: (1) "incidents" arising from the presence in Berlin of young, undisciplined troops; (2) aggravation of the situation by such German malcontents as went an East-West war; (5) any tendency towards wer hysteria or lack of firmness and patience on the part of US officials in Berlin. THEODORE BABBITT Assistant Director Reports and Estimates Attach: Memo. 22 Dec. 1947 This was covered by memo. 16 harch 1948 DCI to Pres. (ER 8404) SECRET

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22 December 1947

## MEMORANDUM FOR THE PRESIDENT

The breakdown of the CFM in London may cause the USSR to undertake a program of intensified obstructionism and calculated insult in an effort to force the US and the other Western Powers to withdraw from Berlin all representatives except a small Allied Control Authority group. The implementation of such a program could create a situation of great tension which might lead to armed clashes between Soviet personnel and that of the other occupying powers.

The failure of the CFM to reach agreement on any question and the CFM's subsequent indefinite adjournment will result in an accelerated consolidation of eastern Germany. The USSR will attempt to incorporate thoroughly the economic system of its Zone into the Soviet economy and to orient the political system still more closely to the Soviet ideology. Soviet authorities will encounter difficulties in accomplishing both objectives because of the presence of US officials and troops in Berlin.

The presence there of this personnel hinders the ruthless and forcible communication of all eastern Germany, helps to sustain non-Communist opposition, and demonstrates that the US does not intend to abandon or partition the country. Berlin, of course, could hardly serve as the capital of an eastern German state, should the USSR eventually establish one, so long as the Western Powers maintain troops in the city. The Kremlin is aware of this situation.

The Kremlin is aware, also, that the present quadripartite occupation of Berlin furnishes the US with an
excellent listening post and a base of operations for intelligence activities in the Eastern Zone as well as providing
political refugees from Soviet areas with a convenient haven.
Masters of propaganda themselves, the Soviet authorities are
highly sensitive to the great propaganda value of the continued
presence of US and the other Western Power forces and the
guarantees they provide of relative political freedom for the
residents of the city.



The USSR, consequently, cannot expect the US and the other Western Powers to evacuate the city voluntarily. The USSR, therefore, will probably use every means short of armed force to compel these powers to leave the city.

These devices may include additional obstruction to transport and travel to and within the city, "failure" of services such as electric supply, reduction of that part of the food supply which comes from the Soviet Zone, flagrant violations of Kommandatura agreements, instigation of unrest among Germans in the US sector, disregard of the elected municipal government, a deliberately intensified campaign of insult or personal injury to US personnel, and terrorization of their German employees.

The degree of danger inherent in such a campaign will depend on the accuracy with which Soviet authorities gauge US determination to remain and the state of discipline of US officials and troops. Overly enthusiastic resort to insults or personal violence by Soviet troops or Communists could well create "incidents", street fights, brawls, and other public disturbances which, in turn, might well lead to high-level repercussions of the gravest character. Only the greatest determination and tact on both sides could prevent a serious incident from deteriorating beyond control of the Berlin authorities. Even if Soviet estimates of limits to US patience are accurate, the situation could and probably would be aggravated by the activities of German malcontents, who for one reason or another, seek to bring about an open East-West conflict.

The Kremlin will probably defer its maximum effort to force Western Power evacuation of Berlin until it has fully calculated the risks and considered the problem in the light of Soviet strategy elsewhere. Nevertheless, in view of probable irresponsible action by local Soviet officials, the day-to-day developments in the immediate future will test the firmness, patience, and discipline of all US personnel in Berlin.

R. H. HILLENKOETTER
Rear Admiral, USH
Director of Central Intelligence

